

To the Members of the California State Senate:

I am returning Senate Bill 489 without my signature.

While I support additional protections for consumers living in continuing care retirement communities, I feel this bill unnecessarily inserts the Department of Social Services in private contractual matters. The Department has statutory responsibility to monitor and review the fiscal condition of these communities, but they do not have the expertise, nor should they be required to, intervene in contractual disputes and placement plans of residents.

There are many good consumer protections in this bill and I would encourage the author and stakeholders to work with my Administration next year to find the appropriate balance of government oversight for these types of facilities.

Sincerely,

Arnold Schwarzenegger